



**TECHNOLOGY SERVICES BOARD
DEPARTMENT OF TECHNOLOGY SERVICES**

**PUBLIC MEETING MINUTES
September 19, 2007**

The Technology Services Board (TSB) met in open session, pursuant to the provisions of the Bagley-Keene Open Meeting Act, at approximately 10:00 a.m., at the California Environmental Protection Agency building, located at 1001 I Street, Sacramento, California 95814.

1. Call to Order

Chairman Kelso called the meeting to order at 10:05 a.m.

Roll called was completed:

1. Clark Kelso, State Chief Information Officer (present)
2. Thomas Johnson, Director, Department of Veterans' Affairs
(Designee Terry Coyle - present)
3. Mike Chrisman, Secretary, Resources Agency
(Designee Patrick Kemp - present)
4. Henry Renteria, Director, Office of Emergency Services
(Designee David Zocchetti - absent)
5. Victoria Bradshaw, Secretary, Labor & Workforce Development Agency
(Designee Dale Jablonsky - present)
6. Kim Belshé, Secretary, California Health & Human Services Agency
(Designee Carlos Ramos - present)
7. Michael Genest, Director, Department of Finance
(Designee Fred Klass - present)



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8. Rosario Marin, Secretary, State and Consumer Services Agency
(Designee Adrian Farley - present)
 9. John Chiang, State Controller
(Designee Michael Carter - present)
 10. A.G. Kawamura, Secretary, Department of Food and Agriculture
(Designee Davood Ghods - absent)
 11. James Tilton, Secretary, Department of Corrections and Rehabilitation
(Designee Steve Alston - present)
 12. Dale Bonner, Business, Transportation & Housing Agency
(Designee Michael Liang - present)
 13. Linda Adams, Secretary, California Environmental Protection Agency
(Designee Don Owen - present)

2. Approve June 29, 2007 Meeting Minutes – Action Item

There was a motion to adopt the June 29, 2007 TSB meeting minutes as presented, the motion was seconded, and it was unanimously approved.

3. Chairman's Report

A. State IT Update – Information Item

State Chief Information Officer (CIO) Clark Kelso presented information on four topics related to State IT: Projects and Enterprise Initiatives, Acquisitions, Workforce, and Governance.



1) IT Projects and Enterprise Initiatives

Business Management Systems include:

- 21st Century Project – This project is within the State Controller's Office.
- California Department of Corrections and Rehabilitation (CDCR) Business Information System – they signed a contract two months ago to do their ERP system. They are scheduled to have accounting and budgeting up by July 1, 2008.
- Department of Transportation – A Request for Proposal (RFP) for the Integrated Financial Management System (IFMS-EFIS) project will be released soon.
- Fi\$Cal – A special project report has been requested by the Legislature. If approved, procurement could begin in the fall of 2008.

Modernizing and Standardizing the State's IT

Total annual savings from consolidation is potentially \$134 million; \$43 million from the Department of Technology Services (DTS) consolidation; \$70 million from Strategic Sourcing savings; and \$21 million projected for server consolidation and virtualization savings. Additional savings are expected during the next round of server consolidation and virtualization.



Modernizing and Consolidating the State's IT, Telecomm and Network Infrastructure

Modernization includes infrastructure projects at CDCR and the Department of Motor Vehicles; and, case management projects at CDCR, the Employment Development Department, and the Department of Justice. The goal of these projects is to bring all technology into the 21st Century.

Rebuilding the State's Internet Presence

The newest development in the State's Internet presence is the Consumer Services Center website at www.consumer-sc.ca.gov. In addition to offering access to a variety of consumer information, this site brings together information from state and federal jurisdictions and provides a very effective search engine.

Overall Portfolio

There were 132 IT projects this year, which is an increase of 15 from the prior year. This year's projects equate to a portfolio of \$6.2 billion, a 24 percent increase over last year. Most of the increase is attributed to projects at CDCR.

2) IT Acquisitions

Acquisition Policies

Assembly Bill 617, enacted this year, repeals the requirement of a 50 percent bond on certain integration projects and allows the tailoring of procurements to match bonds with the risk of the project. This will improve the contracting process and make larger procurements of greater interest to the vendor community.

Also, the Department of General Services (DGS) has formalized their approach to solutions-based acquisitions. This approach requires the department to develop a good description of their business problem and request responses that



identify solutions. With this approach, the departments benefit from innovation in the marketplace.

3) IT Workforce

With more than 50 percent of the workforce eligible to retire in five years, the State is facing a great challenge. To help meet this challenge, the State has several projects in progress. A new project for IT position classification and testing methodology is moving forward and will be implemented in late 2008. Also, the Office of eServices has developed a website called “Boomerang”, where retirees can register their interest in returning to state service as retired annuitants. The departments should have access to this site within the next couple of months.

4) Governance

Collaborative Governance

The Legislature enacted Senate Bill 90 establishing the Office of Information Security and Privacy within the State and Consumer Services Agency (SCSA). This Office will consist of the Department of Finance (DOF) Security Unit and the Office of Privacy Protection from the Department of Consumer Affairs. With the creation of this new Office, security is becoming a higher priority in government.

The Legislature also authorized the Office of the State CIO, effective January 1, 2008. The DOF Office of Technology Review, Oversight, and Security will be included in this new Office.



4. Services Committee Report

A. Summary of August 29, 2007 Meeting – Information Item

Since Chairperson Ann Boynton was not in attendance, Clark Kelso provided the update on the August 29, 2007, Services Committee Meeting. Mr. Kelso reported the Committee established an Email Task Force that will develop policies relative to the Statewide Email system operated by DTS. The first meeting of the Task Force is currently being scheduled.

The Services Committee also received updates on a number of DTS projects including: the DTS Customer Council, Benchmarking DTS Network Rates, Statewide Network Planning, Remedy Shared Service Offering, and Portal eServices.

5. Financial Report

A. Budget Update – 2008/09 Budget Change Proposals – Information Item

DTS Director, P.K. Agarwal, provided a DTS budget update. Expenditures for the 2006/07 Fiscal Year were well within their budget appropriation.

DTS Chief Deputy Director, Mitzi Higashidani, presented information on the financial plans for the coming year. DOF will be reviewing the BCPs over the next 60 days. The actual BCPs will be presented at the next TSB meeting.

There was discussion regarding the transfer of the eServices program office from the SCSA to the DTS. Andrew Armani, Director of eServices, clarified that this is



not a physical transfer of the Office to DTS, but a need to move the PYs to DTS. Previously the Office of eServices had borrowed staff from other departments.

6. Director's Report

A. Accessibility of TSB Webcasts – Action Item

Jim Hanacek, Acting Deputy Director at DTS, presented information on accessibility issues for the TSB meetings. The TSB agenda, published ten days before the meeting, invites anyone needing special accommodation to contact DTS.

Mr. Hanacek described various options available to the TSB to accommodate accessibility of webcasts. These options include having transcripts made of the meetings or having the webcast captioned. Captioning is a more expensive, but more elegant solution than transcribing. After discussing the options, it was decided that when a request for special accommodation is made, the person making the request can determine which solution would best meet their needs.

There was a motion to accept this recommendation, the motion was seconded and it was unanimously approved.

B. Facilities Update – Information Item

Anna Brannen, Deputy Director at DTS, presented a facilities update.

Currently, DTS does not have enough space at any one of its sites for all DTS employees. In addition to establishing an office for administrative staff there is also the need to relocate the Cannery data center site to an area outside of the Sacramento disaster zone. This replacement site will be remotely managed from the Gold Camp data center site.



The DOF has asked DGS to explore options for more space for DTS. The current plan is to have an administrative site in Rancho Cordova, and a new data center somewhere in the San Joaquin Valley or the Monterey area.

7. Miscellaneous Non-Discussion Items

There was no discussion of this item.

8. New Agenda Items

There were no new agenda items.

9. Public Comment

There was no public comment given.

10. Meeting Adjournment

The meeting was adjourned at approximately 11:10 a.m.